

## **New Mexico Renewable Portfolio Standard**

### **Time Line:**

- The New Mexico Public Regulation Commission (NMPRC) issued a Notice of Inquiry into renewable energy in May 2001 and requested comments and proposals.
- The NMPRC conducted a workshop on October 22, 2001. Commission Chairman Tony Schaefer offered the workshop participants several guidelines, including a mandatory portfolio in the range of 5% to 10%, renewables chosen on a least cost basis, a standard applicable to any seller of electricity, favor given to New Mexico generators, and a voluntary increase in the standard based on consumer demand. The Staff conducted a one day workshop, primarily as a brainstorming session.
- On December 4, 2001, Staff issued a proposed rule.
- Future events in rulemaking: comments on the Staff proposal are due on January 18, 2002; response comments are due February 8, 2002; public hearing to be held on February 25, 2002.

### **Expected Renewable Resources**

- Primarily wind, with perhaps landfill gas. Possibly a small amount of PV.

### **Features of Staff's Proposal**

- Duration: Effective May 1, 2002 through September 1, 2005. The end date seems to be attributable to the Commission's authority as granted by the legislature and to the legislature's expected reconsideration of restructuring to be effective in 2005.
- Renewable resources include: solar, wind, hydropower, geothermal, landfill gas, anaerobically digested waste biomass, or fuel cells that are not fossil fueled. The draft rule does not address hybrid systems.
- Application: all public utilities subject to the NMPRC.
- Standard: 1% of retail energy sales starting September 1, 2002, 3% by September 1, 2003, and then 5% September 1, 2004. The schedule is not clearly written.
- "Trading credits:" allowed upon approval of the Commission.
- Factors to be considered in selecting resources: price (resources must be selected on a least cost basis), reliability, portfolio requirements, and availability, balancing local environmental and economic impacts. Preference is for resources located in New Mexico.
- Green pricing: voluntary green pricing tariffs required.
- Certification: every generator must be certified (unclear by whom).
- Reporting: annual reports including application of trading credits and their prices; renewable energy plan must also be filed.
- Variances: exemptions and variances are permitted upon approval by the NMPRC.